



COUNCIL AGENDA REPORT

**City of Anaheim
OFFICE OF THE CITY TREASURER**

DATE: DECEMBER 17, 2013
FROM: OFFICE OF THE CITY TREASURER
SUBJECT: INVESTMENT PORTFOLIO REPORT – NOVEMBER 2013

ATTACHMENT (Y/N): YES ITEM #

RECOMMENDATION:

That the City Council, by Motion, approve the Investment Portfolio Report for November 2013.

DISCUSSION:

This is the investment report for the City’s general pool for the month ending November 30, 2013. The report is provided to ensure that the City Council is informed as to the investment activities and fulfills the reporting requirements of the City’s adopted investment policy.

COMPLIANCE:

All investment transactions were executed in accordance with the California Government Code and the City’s Investment Policy. There is sufficient liquidity to meet the City’s anticipated expenditure requirements for the next six months.

INVESTMENT SUMMARY:

The following table shows summary investment information for the month ending November 30, 2013:

	Short-term Portfolio	Long-term Portfolio	Total Portfolio Values
Portfolio Balance (Market Value) *	\$ 113,839,617	\$ 290,231,135	\$ 404,070,752
Effective Yield	0.11 %	1.43 %	1.08 %
Avg. Weighted Maturity	15 Days	2.3 Years	1.7 Years
Net Earnings	\$ 17,188	\$ 350,793	\$ 367,981
Benchmark**	0.01 %	0.34 %	0.24 %

* Portfolio balance includes approximately \$27.8 million of the 2011A Electric Bond project funds (October 2013)
** Benchmark value is the Interpolated Treasury Yield to the Portfolio’s Average Weighted Maturity

INVESTMENT ACTIVITIES

The City Treasurer’s Investment Portfolio has a current rating of “AAf” from Standard and Poor’s (S&P). This rating was effective August 8, 2011, as a result of the action of S&P downgrading the debt issues of the United States Treasury and Federal Agencies from a credit rating of “AAA” to “AA+”. The credit rating reflects the investment holdings of the City’s Investment Portfolio (approximately 54% of funds in Federal Agency issues) and not the management of the investment fund.

It should be pointed out the downgrade in credit rating is the sole action of Standard and Poor’s, since the other two major national credit firms of Moody’s Investor Services and Fitch Ratings have maintained the “AAA” credit rating on all U.S. Treasury and Federal Agency debt issues. Even with the credit downgrade to the investment portfolio, the investment portfolio is still eligible and qualifies as a ‘permitted investment’ for City bond funds (i.e., project or acquisition funds).

This credit rating is for the City’s investment portfolio and does NOT reflect the credit rating of the City’s bond issues.

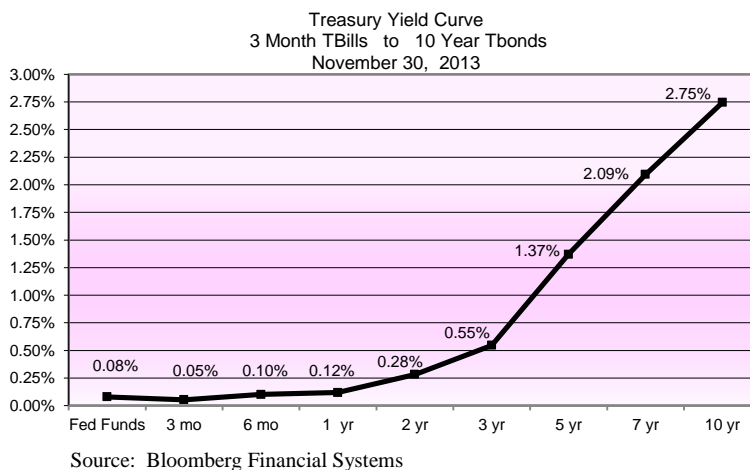
On August 11, 2008, the City of Anaheim’s Investment Policy was recognized and certified by the Association of Professional Treasurers of the United States and Canada (APT US&C) as meeting all standards and criteria established by the APT US&C.

INVESTMENT ENVIRONMENT:

The month of November 2013 showed a slight increase in the overall U.S. Treasury issues yield curve, with the immediate stress of the debt limitation successfully deferred to February 2014. The three month U.S. Treasury bill closed November at 0.05%, up 0.01% for little change. The two year U.S. Treasury Note closed the month at 0.28%, down 0.03% and the five year U.S. Treasury Note closed November at 1.37%, up 0.04% from the October 2013 close of 1.33%. The longer section of the Treasury yield curve showed a larger increase in interest rates, with the benchmark ten year U.S. Treasury Note closing November at 2.75%, up 0.19% from the prior month close of 2.56%. The movement in interest rates indicates that the Federal Reserve is continuing to be successful in keeping short term interest rates at a constant low level, while the longer maturities are influenced more by market participants who are waiting for the Federal Reserve to begin to taper their market support.

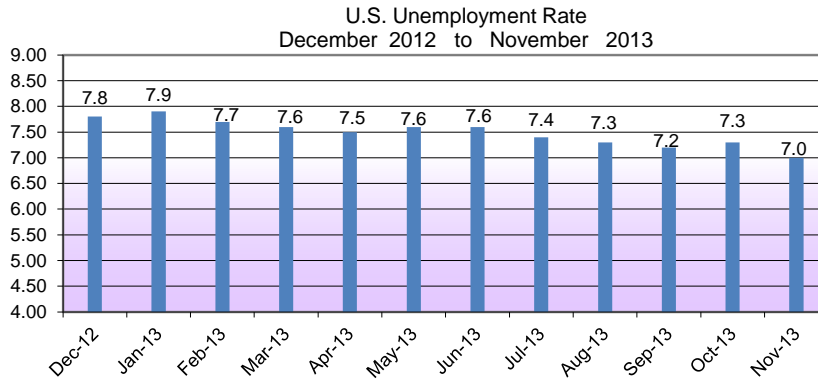
The Federal Reserve continues to maintain their “quantitative easing” (QE program) position to sustain the low incremental growth in the economy. The October 29-30 Federal Open Market Committee (FOMC) meeting continues to keep the benchmark Federal Funds rate at 0 to 0.25% with the language assessment of “Risk to Growth” to the economic recovery. For the past six months, the average interest rate for Federal Funds has been close to 0.10%, well within the range set by the FOMC. The Federal Reserve lowered the Federal Funds rate to this historically low level at their December 2008 FOMC meeting. The Federal Funds rate is the interest rate that banks lend to each other to maintain their capital values and positions. The long length of extended low interest rates coupled with the hint of reducing the monthly purchases of mortgage backed securities of the Federal Reserve Bank continues to cause some nervousness in the financial markets. The U.S. Treasury debt issues have historically been used as the default yield curve that all other interest rates are compared to.

The chart below shows the interest rates for U.S. Treasury issues for the month ending November 2013:



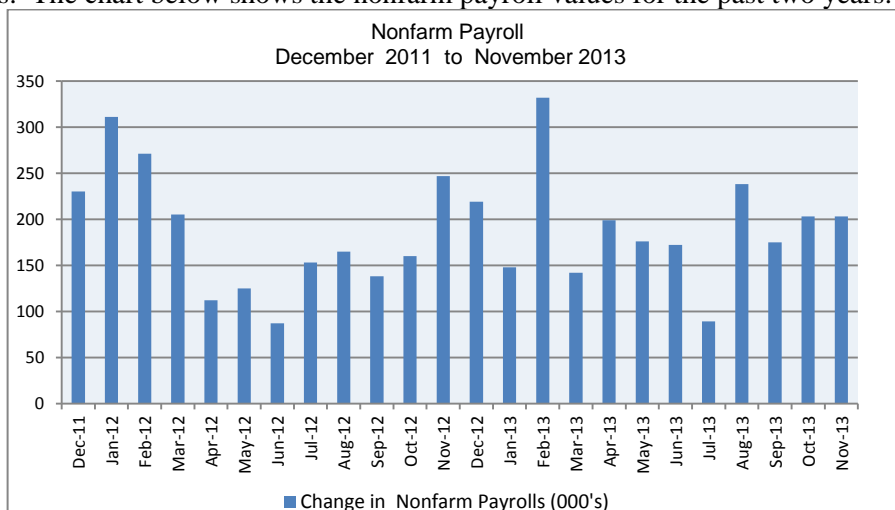
A key economic indicator watched by investors is the national unemployment rate, which tends to show the overall health of the national economy. For the month of November 2013, the national unemployment rate was reported at 7.0%, down 0.3% from the September 2013 value of 7.3%. The twelve month average is at 7.5%, which is significantly lower from the December 2011 level of 8.5%, however, economists are still forecasting a rate of 7.0% to close the calendar year 2013.

The unemployment rate is considered a “lagging” economic indicator and does not reflect immediate or current financial and economic events. The unemployment rate does indicate the level of idle workers as a percentage of the overall labor force. The chart below shows the national unemployment rate for the past twelve months:



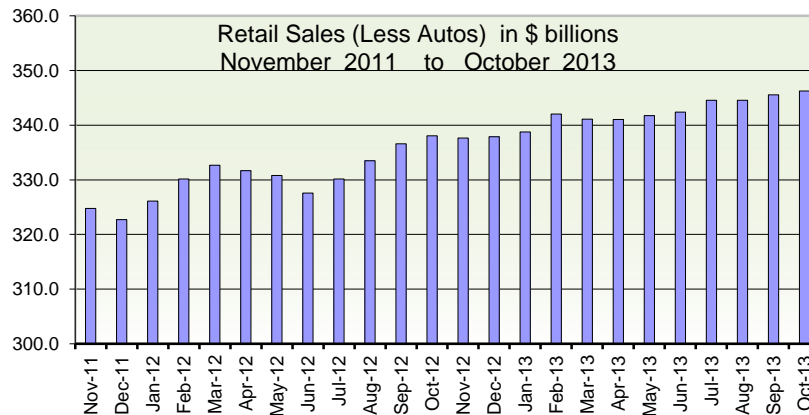
Source: U.S. Bureau of Labor Statistics

A more accurate gauge of the employment sector and the improving economy is the amount of jobs being created. The Bureau of Labor Statistics publishes monthly the value of US Employees on nonfarm payrolls, which is an indication of how the corporate or business sector is hiring. For the month of November 2013, the nonfarm payroll number was reported to be 203,000 new jobs created. The October 2013 value was revised downward from 204,000 to 200,000. The annual (twelve month average) value with the revised values shows approximately 191,000 monthly new jobs are being created, which is above the minimum value of 165,000 new monthly jobs that economists have said are needed to show sustained economic growth. It should be noted the nonfarm payroll values are subject to seasonal variations and revisions, making an analysis of a distinct trend in this indicator difficult at times. The chart below shows the nonfarm payroll values for the past two years:



Source: U.S. Bureau of Labor Statistics

Another economic factor we watch is the monthly Retail Sales (less Autos), which measures the level of consumer spending and provides an indication of the underlying vitality of the overall national economy. At the time this report was prepared, the November 2013 data were not available. The month of October 2013 value showed an annualized retail sales value of \$346.2 billion, up from the September 2013 value reported of \$345.6 billion, for a month over month percentage increase of 0.2%. The annualized increase, year to year, showed a percentage increase of 2.4%. The increase in month over month retail sales continues to show evidence that the consumer is still purchasing goods, however, at a slow to moderate rate. It is estimated that consumer spending accounts for over sixty five percent of economic activity, so a low or moderate level of spending (below 4.0% annually) indicates a continued “soft” or slow incremental economic recovery. The chart below shows the monthly increase in consumer spending for the past thirty six months:



Source: Census Bureau, US Government

INVESTMENT PERFORMANCE:

The City’s investment portfolio remains strongly diversified and invested in high credit quality issues of U.S. Treasuries, Federal Agencies, Medium Term Corporate Notes and high grade commercial paper. Investments in money market accounts are restricted to U.S. Treasury and Federal Agencies only and a review of the State of California Local Agency Investment Fund (LAIF) shows high levels of liquidity and safe investments. The City’s investment strategy continues to focus on safety and providing liquidity for the City’s operational requirements.

For November 30, 2013, the City Treasurer’s Investment Portfolio performance was:

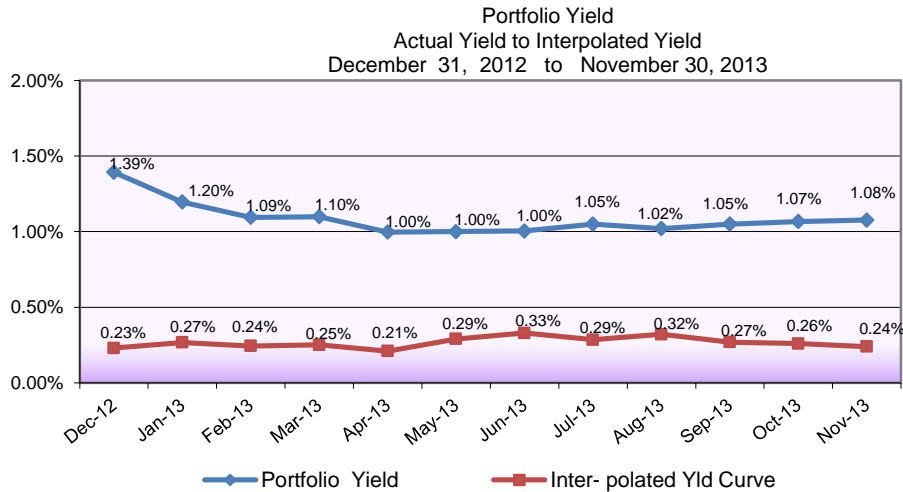
	Amount of Funds (Market Value)	Maturity	Effective Yield	Interpolated Yield	Total Return Monthly	Total Return Annual
Short-Term Portfolio	\$ 113,839,617	15 days	0.19 %	0.01 %	0.015	0.159
Long-Term Portfolio	\$ 290,231,135	2.3 years	1.43 %	0.34 %	0.138	0.515
Total Portfolio	\$ 404,070,752	1.7 years	1.08 %	0.24 %	0.102	0.452

The portfolio balance includes a deposit for the acquisition funds of the 2011A Electric Bonds of \$27,827,246.00 as of the October 31, 2013 bond fund report balance. As a credit rated portfolio of “AA”, we are recognized as a permitted investment by the bond indenture of the above bonds. These funds enjoy the advantage of superior market rates of return in a historically low interest rate environment.

Please note the use of interpolated yield values and total return values are guidelines and not used in the performance evaluation of the portfolio. The investment of public funds is exposed to a large range of variable

factors, such as increases or decreases in revenues and expenditures as well as seasonal timing, which can affect the cash flow of the City.

The City’s investment portfolio continues to provide above market rates of return on funds invested as shown in the following graph which shows the City’s net overall performance to a market indicator for the past twelve months:



Source: Treasurer’s Office, Anaheim

The interpolated yield curve value of 0.24% reflects the current market interest rates comparable to the City’s Investment Portfolio average weighted maturity of 1.7 years as of November 30, 2013. As shown, the City’s Investment Portfolio interest earnings were 1.08% for November, a monthly approximate dollar earnings of \$281,503 over market interest rates. Cumulative earnings for the City portfolio over market interest rates for the past twelve months are approximately \$3,401,960.

A complete listing of the portfolio holdings and investment activity for the City of Anaheim’s Investment Portfolio for the month of November 2013 is on the following pages.

IMPACT ON BUDGET:

There is no impact on the General Fund.

Respectfully submitted,

Henry W. Stern, CTP
 City Treasurer

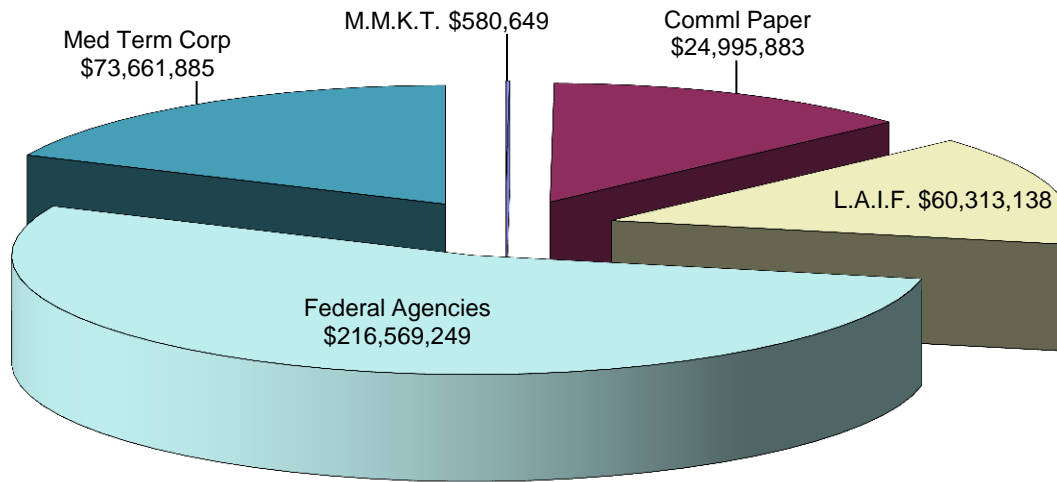
Attachment

1. City Treasurer’s Investment Report

Balances, Yields and Average Maturities**November 30, 2013**

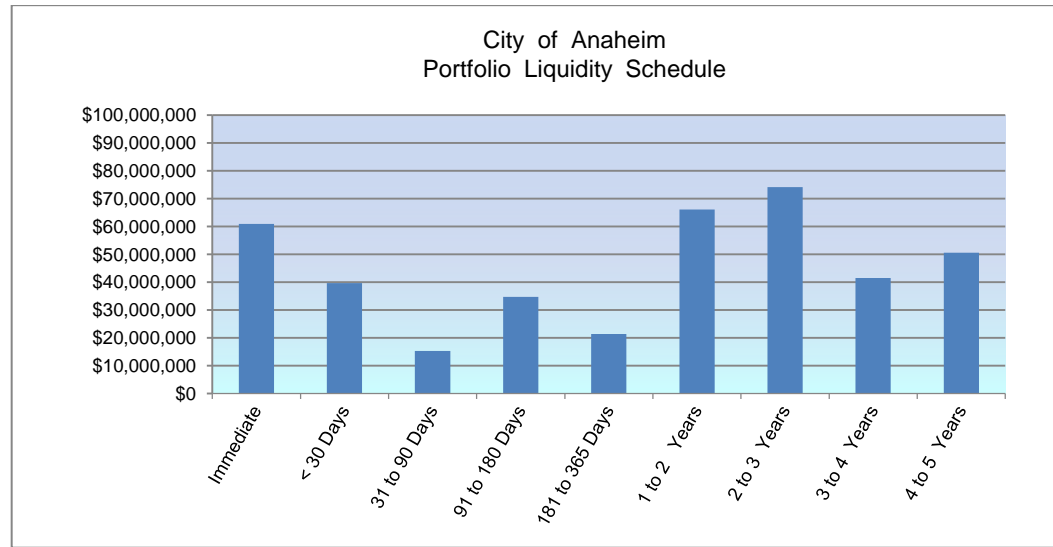
<u>Description</u>	<u>Par Value</u>	<u>Book Value</u>	<u>Market Value</u>	<u>Yield to Maturity</u>	<u>Percent of Total Funds</u>	<u>Average Weighted Maturity</u>	
						<u>Days</u>	<u>Years</u>
Short-Term Portfolio							
Money Market Funds	\$580,649	\$580,649	\$580,649	0.01%	0.14%	1	0.00
L.A.I.F. (State of California	\$60,313,138	\$60,313,138	\$60,313,138	0.26%	14.93%	1	0.00
subtotal: Cash and Overnight Investments	\$60,893,786	\$60,893,786	\$60,893,786		15.07%	1	0.00
Commercial Paper	\$52,950,000	\$52,945,831	\$52,945,831	0.11%	13.10%	30	0.08
Medium Term Corporate Notes	\$0	\$0	\$0	0.00%	0.00%	0	0.00
U.S. Federal Agencies	\$0	\$0	\$0	0.00%	0.00%	0	0.00
U.S. Treasury	\$0	\$0	\$0	0.00%	0.00%	0	0.00
subtotal: Pooled Investments	\$52,950,000	\$52,945,831	\$52,945,831	0.11%	13.10%	30	0.08
Total Short-Term Portfolio:	\$113,843,786	\$113,839,617	\$113,839,617	0.19%	28.17%	15	0.04
Long -Term Portfolio							
Commercial Paper	\$0	\$0	\$0		0.00%	0	0.00
Medium Term Corporate Notes	\$71,956,000	\$72,395,720	\$73,661,885	1.75%	18.23%	832	2.28
U.S. Federal Agencies	\$216,175,000	\$215,998,370	\$216,569,249	1.32%	53.60%	846	2.32
U.S. Treasury	\$0	\$0	\$0	0.00%	0.00%	0	0.00
Total Long-Term Portfolio:	\$288,131,000	\$288,394,089	\$290,231,135	1.43%	71.83%	842	2.31
Total Cash and Pooled Investments	\$401,974,786	\$402,233,706	\$404,070,752	1.08%	100.00%	608	1.67

City of Anaheim
Investment Portfolio Asset Allocation
November 30, 2013
\$ 404,070,752



Liquidity Schedule
November 30, 2013

	<u>Availability</u>	<u>Market Value</u>	<u>Cumulative Balances</u>	<u>% of Total Assets</u>
Money Market Funds	Immediate	\$580,649	\$580,649	0.14%
L.A.I.F. (State of California)	Immediate	\$60,313,138	\$60,893,786	15.07%
Pooled Investment Maturities:	< 30 Days	\$39,599,788	\$100,493,575	24.87%
	31 to 90 Days	\$15,198,921	\$115,692,496	28.63%
	91 to 180 Days	\$34,735,263	\$150,427,759	37.23%
	181 to 365 Days	\$21,337,120	\$171,764,879	42.51%
	1 to 2 years	\$66,118,124	\$237,883,003	58.87%
	2 to 3 years	\$74,100,291	\$311,983,294	77.21%
	3 to 4 years	\$41,494,423	\$353,477,717	87.48%
	4 to 5 years	\$50,593,035	\$404,070,752	100.00%
Total Cash and Pooled Investments:		\$404,070,752		



Summary and Comparison of Yields and Balances

November 30, 2013

<u>Description</u>	Current Month <u>November 30, 2013</u>	Prior Month <u>October 31, 2013</u>
Yield to Maturity (at market):		
Money Market Funds (US Treasuries)	0.01%	0.01%
L.A.I.F. (State of California)	0.26%	0.27%
U.S. Treasuries	0.00%	0.00%
Federal Agency Bonds	1.32%	1.32%
Commercial Paper	0.11%	0.13%
Medium Term Corporate Notes	1.75%	1.74%
Total Portfolio Yield	1.08%	1.07%
Weighted Average Maturity (Days)	608	616
Weighted Average Maturity (Years)	1.67	1.69
Balances (at Market Value)		
Money Market Funds (US Gov Sec)	\$580,649	\$14,365,286
L.A.I.F. (State of California)	\$60,313,138	\$60,313,138
U.S. Treasuries	\$0	\$0
Federal Agencies	\$216,569,249	\$221,562,325
Commercial Paper	\$52,945,831	\$43,194,332
Medium Term Corporate Notes	\$73,661,885	\$73,612,349
Total Portfolio:	\$404,070,752	\$413,047,430
Earnings:	Current Month <u>November 30, 2013</u>	Fiscal Year to <u>Date Earnings</u>
Total Interest Earnings for Month:	\$369,856.07	\$1,856,671.32
Total Adjustments from Premiums and Discounts	-\$1,874.62	-\$8,558.28
Total Capital Gains or Losses	\$0.00	\$0.00
Total Earnings for Month	<u>\$367,981.45</u>	<u>\$1,848,113.04</u>

City of Anaheim
Investment Portfolio Summary

<u>Month / Yr</u>	<u>Core Portfolio</u>	<u>Reserve Portfolio</u>	<u>Portfolio Balance (market value)</u>	<u>Portfolio Yield</u>	<u>Avg Wgt Mat. - Days</u>	<u>Avg Wgt Mat. - Yrs</u>	<u>Inter - polated Yld Curve</u>	<u>Difference: City Yield / Interpolated</u>
Jun-09	\$92,988,732	\$316,049,180	\$409,037,911	2.26%	752	2.06	1.12%	1.14%
Jun-10	\$127,268,510	\$256,712,953	\$383,981,463	1.87%	536	1.47	0.45%	1.42%
Jun-11	\$180,459,755	\$261,836,213	\$442,295,968	1.52%	554	1.52	0.35%	1.17%
Jun-12	\$161,711,522	\$259,031,847	\$420,743,369	1.38%	484	1.33	0.28%	1.11%
Jul-12	\$130,883,306	\$254,515,935	\$385,399,241	1.49%	503	1.38	0.19%	1.29%
Aug-12	\$128,310,646	\$269,502,499	\$397,813,145	1.47%	521	1.43	0.20%	1.27%
Sep-12	\$108,805,936	\$259,373,508	\$368,179,443	1.46%	542	1.48	0.22%	1.24%
Oct-12	\$107,137,761	\$270,989,809	\$378,127,570	1.43%	561	1.54	0.25%	1.18%
Nov-12	\$97,947,618	\$273,455,616	\$371,403,234	1.45%	575	1.58	0.24%	1.20%
Dec-12	\$97,621,426	\$285,055,252	\$382,676,678	1.39%	634	1.74	0.23%	1.16%
Jan-13	\$105,033,351	\$291,834,246	\$396,867,596	1.20%	751	2.06	0.27%	0.93%
Feb-13	\$128,239,171	\$286,885,162	\$415,124,333	1.09%	716	1.96	0.24%	0.85%
Mar-13	\$125,785,560	\$286,780,703	\$412,566,263	1.10%	695	1.90	0.25%	0.85%
Apr-13	\$145,789,032	\$279,600,648	\$425,389,680	1.00%	654	1.79	0.21%	0.79%
May-13	\$142,296,123	\$296,152,869	\$438,448,991	1.00%	680	1.86	0.29%	0.71%
Jun-13	\$141,655,794	\$299,138,984	\$440,794,778	1.00%	670	1.84	0.33%	0.67%
Jul-13	\$124,516,874	\$299,599,908	\$424,116,783	1.05%	675	1.85	0.29%	0.76%
Aug-13	\$139,344,652	\$293,752,142	\$433,096,794	1.02%	626	1.72	0.32%	0.70%
Sep-13	\$123,651,911	\$294,704,136	\$418,356,047	1.05%	628	1.72	0.27%	0.78%
Oct-13	\$117,872,756	\$295,174,674	\$413,047,430	1.07%	616	1.69	0.26%	0.81%
Nov-13	\$113,839,617	\$290,231,135	\$404,070,752	1.08%	608	1.67	0.24%	0.84%

Note: November 2013 balance reflects acquisition funds from 2011A Electric Bonds, approximately \$27.8 million (October 2013)

Portfolio balances from June 2011 through November 2013 reflect additional funds from 2011A Electric Bonds

CITY OF ANAHEIM

November 30, 2013

Short-Term Portfolio

CUSIP	Security #	Issuer	Security Type	S & P Rating	Par Value	Book Value	Market Value	Purchase Date	Maturity Date	Stated Rate
SYS17430	17430	LAIF	MMKT	AA+	30,102,667.24	30,102,667.24	30,102,667.24	07/01/2013	12/1/2013	0.26%
SYS17432	17432	LAIF	MMKT	AA+	30,210,470.74	30,210,470.74	30,210,470.74	07/01/2013	12/1/2013	0.26%
SYS987	987	FIDELITY GOVERNMENT	MMKT	AAA	0.00	0.00	0.00	07/01/2013	12/2/2013	0.01%
SYS500	500	GOLDMAN SACHS PRIME	MMKT	AAA	580,648.50	580,648.50	580,648.50	07/01/2013	12/2/2013	0.01%
2635J4Z39	1779	DUPONT	CP	A1 / P1	5,000,000.00	4,999,945.37	4,999,945.37	10/15/2013	12/03/2013	0.20%
00282CZ96	1777	Abbott Labs	CP	A1 / P1	5,000,000.00	4,999,836.09	4,999,836.09	10/11/2013	12/09/2013	0.15%
59157TZ97	1773	METROPOLITAN LIFE	CP	A1 / P1	3,000,000.00	2,999,927.87	2,999,927.87	09/30/2013	12/09/2013	0.11%
00282CZG0	1778	Abbott Labs	CP	A1 / P1	5,000,000.00	4,999,651.69	4,999,651.69	10/11/2013	12/16/2013	0.17%
2546R2ZL3	1776	Disney	CP	A1 / P1	5,000,000.00	4,999,870.22	4,999,870.22	09/30/2013	12/20/2013	0.05%
71838LZP0	1780	PHILLIP MORRIS	CP	A1 / P1	5,000,000.00	4,999,489.15	4,999,489.15	10/15/2013	12/23/2013	0.17%
71838LZT2	1785	PHILLIP MORRIS	CP	A1 / P1	4,750,000.00	4,749,763.83	4,749,763.83	11/26/2013	12/27/2013	0.07%
19121BA66	1781	COCA COLA	CP	A1 / P1	5,200,000.00	5,199,643.94	5,199,643.94	10/31/2013	01/06/2014	0.07%
30229BA64	1782	Exxon Mobil	CP	A1 / P1	5,000,000.00	4,999,657.65	4,999,657.65	11/19/2013	01/06/2014	0.07%
89233HAA2	1783	TOYOTA MOTOR CREDIT	CP	A1 / P1	5,000,000.00	4,999,619.61	4,999,619.61	11/26/2013	01/10/2014	0.07%
2546R3CR3	1784	Disney	CP	A1 / P1	5,000,000.00	4,998,425.53	4,998,425.53	11/26/2013	03/25/2014	0.10%
Total Short-Term Portfolio:					<u>113,843,786.48</u>	<u>113,839,617.43</u>	<u>113,839,617.43</u>			<u>0.19%</u>

CITY OF ANAHEIM

November 30, 2013

Long-Term Portfolio

CUSIP	Security #	Issuer	Security Type	S & P Rating	Par Value	Book Value	Market Value	Purchase Date	Maturity Date	Stated Rate
3133XSP93	1330	FEDERAL HOME LOAN BANKS	Fed Agy	AA+	6,845,000.00	6,845,262.68	6,851,304.25	12/15/2008	12/13/2013	3.13%
31398A3K6	1567	FED NATL MORTGAGE ASSN	Fed Agy	AA+	5,000,000.00	4,999,297.95	5,016,140.00	03/23/2011	03/14/2014	1.25%
31331GTJ8	1369	FEDERAL FARM CREDIT BANK	Fed Agy	AA+	8,000,000.00	8,000,362.67	8,075,408.00	04/17/2009	04/17/2014	2.63%
31331GTJ8	1379	FEDERAL FARM CREDIT BANK	Fed Agy	AA+	4,500,000.00	4,498,338.07	4,542,417.00	05/01/2009	04/17/2014	2.63%
31331GTJ8	1468	FEDERAL FARM CREDIT BANK	Fed Agy	AA+	4,000,000.00	4,004,977.71	4,037,704.00	01/29/2010	04/17/2014	2.63%
31398AXJ6	1496	FED NATL MORTGAGE ASSN	Fed Agy	AA+	5,000,000.00	5,004,474.78	5,053,630.00	04/30/2010	05/15/2014	2.50%
478160AX2	1584	Johnson & Johnson	MTN	AAA	3,000,000.00	2,999,464.52	3,011,538.00	05/20/2011	05/15/2014	1.20%
313370JS8	1568	FEDERAL HOME LOAN BANKS	Fed Agy	AA+	8,000,000.00	7,988,193.05	8,074,624.00	03/23/2011	09/12/2014	1.38%
31331KHW3	1580	FEDERAL FARM CREDIT BANK	Fed Agy	AA+	5,000,000.00	5,011,613.78	5,070,520.00	05/16/2011	11/19/2014	1.63%
31398AZV7	1495	FED NATL MORTGAGE ASSN	Fed Agy	AA+	8,000,000.00	8,004,494.44	8,191,976.00	04/30/2010	11/20/2014	2.63%
313371W51	1557	FEDERAL HOME LOAN BANKS	Fed Agy	AA+	5,000,000.00	4,976,752.79	5,049,450.00	01/24/2011	12/12/2014	1.25%
36962G5M2	1638	GENERAL ELEC CAP CORP	MTN	AA+	5,000,000.00	5,018,747.99	5,095,780.00	01/18/2012	01/09/2015	2.15%
46625HHP8	1637	JP Morgan	MTN	A	6,000,000.00	6,084,370.43	6,203,298.00	01/18/2012	01/20/2015	3.70%
3134G3JX9	1647	FED HOME LOAN MORT CORP	Fed Agy	AA+	10,000,000.00	9,999,877.08	10,007,900.00	01/30/2012	01/30/2015	0.65%
3133XWX95	1481	FEDERAL HOME LOAN BANKS	Fed Agy	AA+	2,000,000.00	2,000,407.15	2,064,524.00	03/19/2010	03/13/2015	2.75%
31331KFS4	1569	FEDERAL FARM CREDIT BANK	Fed Agy	AA+	5,000,000.00	4,993,857.57	5,094,180.00	03/24/2011	03/24/2015	1.67%

**CITY OF ANAHEIM
Long-Term Portfolio**

November 30, 2013

CUSIP	Security #	Issuer	Security Type	S & P Rating	Par Value	Book Value	Market Value	Purchase Date	Maturity Date	Stated Rate
94974BFE5	1665	WELLS FARGO CO	MTN	A+	1,000,000.00	998,969.37	1,013,794.00	06/27/2012	07/01/2015	1.50%
36962G5Z3	1668	GE CAPITAL SERVICES	MTN	AA+	5,000,000.00	4,997,753.01	5,078,100.00	07/02/2012	07/02/2015	1.63%
594918AG9	1591	Microsoft Corp	MTN	AAA	5,000,000.00	5,000,000.00	5,116,780.00	06/09/2011	09/25/2015	1.63%
31398A4K5	1574	FED NATL MORTGAGE ASSN	Fed Agy	AA+	3,000,000.00	2,999,670.19	3,081,186.00	05/11/2011	10/15/2015	1.88%
46623EJR1	1705	JP Morgan	MTN	A	5,000,000.00	5,000,000.00	5,020,010.00	12/19/2012	10/15/2015	1.10%
931142CX9	1581	Walmart	MTN	AA	2,956,000.00	2,929,248.07	3,018,992.36	05/18/2011	10/25/2015	1.50%
31331J3T8	1549	FEDERAL FARM CREDIT BANK	Fed Agy	AA+	5,000,000.00	4,949,000.00	5,137,065.00	01/07/2011	12/01/2015	1.75%
31331J3T8	1558	FEDERAL FARM CREDIT BANK	Fed Agy	AA+	5,000,000.00	4,953,799.66	5,137,065.00	01/24/2011	12/01/2015	1.75%
3136G17A1	1712	FED NATL MORTGAGE ASSN	Fed Agy	AA+	5,000,000.00	4,999,798.61	5,001,260.00	12/31/2012	12/30/2015	0.45%
3135G0TT0	1719	FED NATL MORTGAGE ASSN	Fed Agy	AA+	10,000,000.00	9,998,211.67	10,003,390.00	01/29/2013	01/29/2016	0.50%
3135G0TZ6	1720	FED NATL MORTGAGE ASSN	Fed Agy	AA+	10,000,000.00	9,997,583.33	10,003,620.00	01/29/2013	01/29/2016	0.45%
38143USC6	1560	Goldman Sachs Group	MTN	A-	5,000,000.00	4,995,936.74	5,273,625.00	02/08/2011	02/07/2016	3.63%
3134G3LJ7	1646	FED HOME LOAN MORT CORP	Fed Agy	AA+	5,000,000.00	4,997,671.35	5,007,470.00	02/10/2012	02/10/2016	0.95%
478160AY0	1583	Johnson & Johnson	MTN	AAA	3,000,000.00	2,995,493.82	3,113,373.00	05/20/2011	05/15/2016	2.15%
478160AY0	1704	Johnson & Johnson	MTN	AAA	10,000,000.00	10,378,651.47	10,377,910.00	12/17/2012	05/15/2016	2.15%
89236TAL9	1743	TOYOTA MOTOR CRE	MTN	AA-	3,000,000.00	2,998,990.94	3,005,661.00	05/17/2013	05/17/2016	0.80%
166764AC4	1757	CHEVRON	MTN	AA	2,000,000.00	2,000,000.00	2,009,952.00	06/24/2013	06/24/2016	0.89%
3135G0XP3	1747	FED NATL MORTGAGE ASSN	Fed Agy	AA+	5,000,000.00	4,988,813.62	4,979,365.00	05/22/2013	07/05/2016	0.38%
36962G5H3	1617	GENERAL ELEC CAP CORP	MTN	AA+	5,000,000.00	4,996,575.44	5,335,590.00	10/17/2011	10/17/2016	3.35%
3133EA5V6	1690	FEDERAL FARM CREDIT BANK	Fed Agy	AA+	5,000,000.00	4,994,567.71	5,000,165.00	10/24/2012	10/24/2016	0.62%
3135G0WY5	1750	FED NATL MORTGAGE ASSN	Fed Agy	AA+	5,000,000.00	4,998,842.33	4,988,910.00	05/22/2013	11/14/2016	0.55%
3134G3Z37	1703	FED HOME LOAN MORT CORP	Fed Agy	AA+	10,000,000.00	9,999,988.67	9,981,310.00	12/12/2012	12/05/2016	0.63%
313376RQ0	1635	FEDERAL HOME LOAN BANKS	Fed Agy	AA+	4,020,000.00	4,019,869.80	4,023,348.66	01/24/2012	01/24/2017	1.15%
3136FTZB8	1644	FED NATL MORTGAGE ASSN	Fed Agy	AA+	5,000,000.00	4,994,336.64	5,007,840.00	01/30/2012	01/30/2017	1.25%
3136G04R9	1702	FED NATL MORTGAGE ASSN	Fed Agy	AA+	5,000,000.00	5,000,000.00	4,996,225.00	12/13/2012	02/21/2017	0.75%
3135G0PU1	1694	FED NATL MORTGAGE ASSN	Fed Agy	AA+	5,000,000.00	5,000,000.00	4,960,335.00	11/14/2012	10/11/2017	1.00%
3135G0QD8	1689	FED NATL MORTGAGE ASSN	Fed Agy	AA+	6,995,000.00	6,995,000.00	6,939,732.51	10/22/2012	10/16/2017	1.00%
3135G0QW6	1691	FED NATL MORTGAGE ASSN	Fed Agy	AA+	2,035,000.00	2,035,000.00	2,017,171.37	11/08/2012	11/08/2017	1.00%
3135G0QW6	1692	FED NATL MORTGAGE ASSN	Fed Agy	AA+	3,600,000.00	3,600,000.00	3,568,460.40	11/08/2012	11/08/2017	1.00%
94974BFG0	1742	WELLS FARGO CO	MTN	A+	5,000,000.00	5,002,959.40	5,002,500.00	05/15/2013	01/16/2018	1.50%
3133ECE26	1721	FEDERAL FARM CREDIT BANK	Fed Agy	AA+	8,930,000.00	8,930,000.00	8,816,044.27	01/30/2013	01/30/2018	0.94%
3135G0TM5	1722	FED NATL MORTGAGE ASSN	Fed Agy	AA+	5,000,000.00	5,000,000.00	4,917,320.00	01/30/2013	01/30/2018	1.02%
3135G0TV5	1723	FED NATL MORTGAGE ASSN	Fed Agy	AA+	10,000,000.00	9,995,902.78	9,881,950.00	01/30/2013	01/30/2018	1.03%
3135G0TV5	1724	FED NATL MORTGAGE ASSN	Fed Agy	AA+	6,250,000.00	6,247,439.24	6,176,218.75	01/30/2013	01/30/2018	1.03%
02666QM26	1730	American Honda	MTN	A+	3,000,000.00	2,998,558.35	2,979,741.00	02/19/2013	02/16/2018	1.60%
3134G42R8	1749	FED HOME LOAN MORT CORP	Fed Agy	AA+	5,000,000.00	4,999,351.35	4,907,690.00	05/22/2013	04/25/2018	1.05%
3135G0WJ8	1748	FED NATL MORTGAGE ASSN	Fed Agy	AA+	5,000,000.00	4,975,612.84	4,906,330.00	05/22/2013	05/21/2018	0.88%
166764AE0	1756	CHEVRON	MTN	AA	3,000,000.00	3,000,000.00	3,005,241.00	06/24/2013	06/24/2018	1.72%
Total Long-Term Portfolio:					<u>288,131,000.00</u>	<u>288,394,089.06</u>	<u>290,231,134.57</u>			<u>1.43%</u>
Total Portfolio Holdings:					<u>401,974,786.48</u>	<u>402,233,706.49</u>	<u>404,070,752.00</u>			<u>1.08%</u>

**Mat Call Sale Purch
Purchases Report
Sorted by Fund - Fund
November 1, 2013 - November 30, 2013**

CUSIP	Investment #	Fund	Sec. Type	Issuer	Original Par Value	Purchase Date	Payment Periods	Principal Purchased	Accrued Interest at Purchase	Rate at Purchase	Maturity Date	YTM 380	Ending Book Value
SHORT- TERM PORTFOLIO													
302298A64	1782	01	ACP	EXXON	5,000,000.00	11/19/2013	01/05 - At Maturity	4,999,533.33		0.070	01/05/2014	0.070	4,999,657.65
2546R3CR3	1784	01	ACP	DISNEY	5,000,000.00	11/26/2013	03/25 - At Maturity	4,998,347.22		0.100	03/25/2014	0.100	4,998,425.53
71838LZT2	1785	01	ACP	PH MOR	4,750,000.00	11/26/2013	12/27 - At Maturity	4,749,713.68		0.070	12/27/2013	0.070	4,749,763.83
89233HAA2	1783	01	ACP	TOYCC	5,000,000.00	11/26/2013	01/10 - At Maturity	4,999,562.50		0.070	01/10/2014	0.070	4,999,619.61
Subtotal					18,750,000.00			18,747,168.73	0.00				18,747,488.82
Managed Pool Deposits													
					Deposit Amount	Deposit Date		Deposit Amount		Rate			
SYS987	987	01	PA2	FIDELI	5,000,000.00	11/06/2013		5,000,000.00		0.010			
SYS987	987	01	PA2	FIDELI	28,175.00	11/08/2013		28,175.00		0.010			
SYS987	987	01	PA2	FIDELI	13,750.00	11/14/2013		13,750.00		0.010			
SYS987	987	01	PA2	FIDELI	62,500.00	11/15/2013		62,500.00		0.010			
SYS987	987	01	PA2	FIDELI	32,250.00	11/15/2013		32,250.00		0.010			
SYS987	987	01	PA2	FIDELI	18,000.00	11/15/2013		18,000.00		0.010			
SYS987	987	01	PA2	FIDELI	107,500.00	11/15/2013		107,500.00		0.010			
SYS987	987	01	PA2	FIDELI	12,000.00	11/19/2013		12,000.00		0.010			
SYS987	987	01	PA2	FIDELI	105,000.00	11/20/2013		105,000.00		0.010			
SYS987	987	01	PA2	FIDELI	21,875.00	11/21/2013		21,875.00		0.010			
SYS987	987	01	PA2	FIDELI	5,000,000.00	11/25/2013		5,000,000.00		0.010			
SYS500	500	01	PA2	GOLDSA	5,465,000.00	11/01/2013		5,465,000.00		0.010			
SYS500	500	01	PA2	GOLDSA	3,834,000.00	11/08/2013		3,834,000.00		0.010			
SYS500	500	01	PA2	GOLDSA	5,716,000.00	11/13/2013		5,716,000.00		0.010			
SYS500	500	01	PA2	GOLDSA	7,232,000.00	11/20/2013		7,232,000.00		0.010			
SYS500	500	01	PA2	GOLDSA	3,383,378.00	11/22/2013		3,383,378.00		0.010			
SYS500	500	01	PA2	GOLDSA	79.72	11/29/2013		79.72		0.010			
Subtotal					38,031,607.72			38,031,607.72					
Total Purchases and Deposits					66,781,607.72			66,778,864.46	0.00				18,747,488.82

**Mat Call Sale Purch
 Maturity Report
 Sorted by Maturity Date
 Receipts during November 1, 2013 - November 30, 2013**

CUSIP	Investment #	Fund	Sec. Type Issuer	Par Value	Maturity Date	Purchase Date	Rate at Maturity	Book Value at Maturity	Interest	Maturity Proceeds	Net Income
59157TY64	1775	01	ACP MET-LF	5,000,000.00	11/05/2013	09/30/2013	0.110	5,000,000.00	0.00	5,000,000.00	0.00
59157TYR8	1774	01	ACP MET-LF	5,000,000.00	11/25/2013	09/30/2013	0.110	5,000,000.00	0.00	5,000,000.00	0.00
31331JZ25	1547	02	FAC FFCB	5,000,000.00	11/26/2013	01/07/2011	0.520	5,000,000.00	23,000.00	5,023,000.00	23,000.00
Total Maturities				15,000,000.00				15,000,000.00	23,000.00	15,023,000.00	23,000.00



POOL PROFILE

September 30, 2013

City of Anaheim Treasurer Investment Pool

Fund Credit Quality Ratings Definitions

AAAF The fund's portfolio holdings provide extremely strong protection against losses from credit defaults.

AAF The fund's portfolio holdings provide very strong protection against losses from credit defaults.

Af The fund's portfolio holdings provide strong protection against losses from credit defaults.

BBBf The fund's portfolio holdings provide adequate protection against losses from credit defaults.

BBf The fund's portfolio holdings provide uncertain protection against losses from credit defaults.

Bf The fund's portfolio holdings exhibit vulnerability to losses from credit defaults.

CCCf The fund's portfolio holdings make it extremely vulnerable to losses from credit defaults.

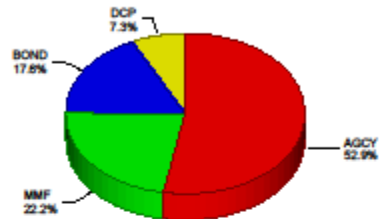
Plus (+) or Minus (-) The ratings from 'AAf' to 'CCCf' may be modified to show relative standing within the major rating categories.

Fund Credit quality ratings, identified by the 'f' subscript, are assigned to bond funds and other actively managed funds that exhibit variable net asset values. These ratings are current assessments of the overall credit quality of a fund's portfolio. The ratings reflect the level of protection against losses from credit defaults and are based on an analysis of the credit quality of the portfolio investments and the likelihood of counterparty defaults.

About the Pool

Pool Rating	AAf / S1
Pool Type	Variable NAV Government Investment Pool
Investment Adviser	City of Anaheim CA
Portfolio Manager	Henry Stern
Pool Rated Since	July 2008

Portfolio Composition as of September 30, 2013



AGCY - Agency Fixed Rate, MMF - Money Market Fund, BOND - Corporate Fixed Rate, DCP - Commercial Paper

*As assessed by Standard & Poor's

Pool Highlights

- The City of Anaheim Treasurer Investment Pool holds securities that have an average maturity of two years or less.
- The pool must purchase securities with a rating of 'A' or better.

Management

The treasurer for the city of Anaheim, California, is responsible for overall management of the portfolio. The treasurer has prior experience managing Standard & Poor's-rated government investment pools from his tenure at the cities of Los Angeles and Long Beach. The City of Anaheim's \$400 million-plus portfolio is divided into a short-term and a long-term portfolio; \$85 million to \$120 million comprises the short-term component. The investment policy is reviewed and submitted to the city council annually—with the current 2012 policy in effect—and applies to all cash and investments controlled by the Anaheim treasurer on behalf of the city.

Credit Quality

Standard & Poor's rates City of Anaheim Treasurer Investment Pool 'AAf/S1'. The 'AAf' fund credit quality rating is based on Standard & Poor's analysis of the credit quality of the portfolio's eligible investments, the counterparties, and the overall management by the portfolio's investment managers. The 'AAf' rating demonstrates that the fund's portfolio holdings provide very strong protection against losses from credit defaults. The 'S1' volatility rating indicates that the pool possesses low sensitivity to changing market conditions and an aggregate level of risk that is less than or equal to that of a portfolio comprised of government securities maturing within one to three years and denominated in the base currency of the pool. As part of Standard & Poor's volatility

analysis, it assessed the management, portfolio-level risk, target durations, and comparable return strategies of the portfolio.

Portfolio Assets

Eligible portfolio holdings are typically comprised of highly-rated securities, including money-market funds, investment-grade corporate debt, commercial paper, the Local Agency Investment Fund (LAIF), and U.S. Treasury and agency securities. The pool can only purchase securities with a rating of 'A' or better. The pool's primary objectives are to provide safety of principal, followed by maintenance of liquidity and return on investment. Various city departments are the pool's predominant investors. The short-term portfolio's benchmark is the 91-Day Treasury bill, which is managed with the view that cash is needed for operating purposes within a six-month period. The long-term portfolio's benchmark is the Merrill Lynch 1-3 Year U.S. Treasury Index. The pool's overall duration is currently 1.5 years, with a maximum duration of three years. Union Bank of California is the custodian for the pool.

Standard & Poor's Analyst: Joel Friedman - (1) 212-438-5043

www.standardandpoors.com

Participants should consider the investment objectives, risks, charges and expenses of the pool before investing. The investment guidelines which can be obtained from your broker-dealer, contain this and other information about the pool and should be read carefully before investing.